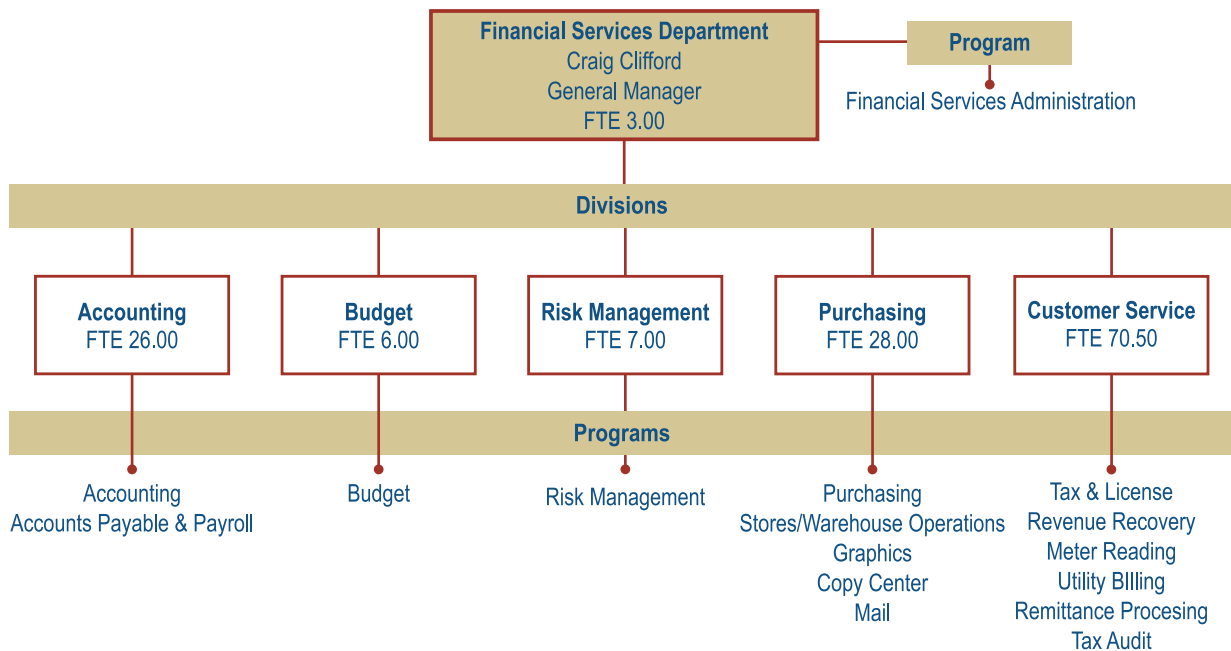


Financial Services Department

Mission

Provide personalized quality service and innovative solutions - each of us continually striving to understand our customer's individual needs and expectations while working together to develop and maintain systems and strategies to ensure that our quality commitment is timeless.



Departmental Staffing

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Full-time Equivalent (FTE)	144.50	144.50	144.50	140.50
% of City's FTE's				6.7%

Departmental Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	\$7,603,007	\$8,154,528	\$8,154,528	\$8,335,665
Contractual Services	7,751,925	7,286,786	7,454,948	7,458,990
Commodities	(147,219)	65,340	58,376	(282,164)
Capital Outlays	103,968	-	-	-
Total Prog. Budget	\$15,311,682	\$15,506,654	\$15,667,852	\$15,512,491
% of City's Total Program Operating Budget				5.8%

Program Description

The Financial Planning and Administration program coordinates the Financial Services Department's operations, facilitates City-wide financial planning, manages the City's short-term and long-term debt, coordinates the financing of City projects, and provides City management with current information concerning economic conditions and the potential fiscal impact to Scottsdale.

Trends

Revenues continue to fall short of projections, while operating costs continue to increase. We are in the middle of a stubborn recession, worsened by the September 11th terrorist attacks. Tourism is a major contributor to Scottsdale's privilege taxes and bed taxes and the industry has been hit hard. The local economy is weak and General Fund revenues remain depressed relative to last fiscal year. Local economic indicators point to continued weakness in the near-term with threat of legislative pressures that can potentially disrupt or change the percent allocation of State shared funds.

Program Broad Goals

Maintain and enhance strategic financial plan elements and ensure the continued financial stability for the City of Scottsdale.

Reinforce our solid standing with rating agencies and maintain or improve our excellent bond ratings.

Seek optimum financing structure to mitigate debt service costs, while retaining our high credit ratings. Issue bonds when necessary to fund the City's capital program.

Program 2003/04 Objectives

Manage expenditures very tightly, as the economy recovers and our revenue picture improves.

Continue the open position review process, with a focus on budget reductions by finding cost savings and operational efficiencies.

Reduce General Fund contributions to capital projects, streamline our operations, and look to stabilize our retail privilege tax base.

Program Provided in Partnership With

Mayor & City Council, City Management, City Staff

Program Customers

Mayor & City Council, City Management, City employees, Scottsdale citizens

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software

Resources for the FY 2003/04 Budget

General Fund Support	\$356,456
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	467,528	575,034	575,034	311,544
Contractual Services	42,649	58,537	61,225	38,732
Commodities	10,358	10,500	10,500	6,180
Total Program Budget	\$520,535	\$644,071	\$646,759	\$356,456

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of total cash actively invested	99.90%	99.90%	99.90%	99.90%
Weighted average yield on investments	6.09%	4.04%	2.50%	2.75%

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Maintain or improve General Obligation Bond rating which contributes to lower cost of debt	Moody's Aaa S&P AAA Fitch AAA	Moody's Aaa S&P AAA Fitch AAA	Moody's Aaa S&P AAA Fitch AAA	Moody's Aaa S&P AAA Fitch AAA
% of fees and charges examined annually to ensure they recover all direct and indirect costs of service (Enterprise, non-enterprise, and development impact fees)	100%	100%	100%	100%

Program Staffing

1 Full-time	GENERAL MANAGER	1.00
1 Full-time	ADMINISTRATIVE SECRETARY	1.00
1 Full-time	FINANCE & ENERGY MANAGER	1.00
Total Program FTE		3.00

Prior Year Highlights

Completed financial trends analysis which provides Citizens, City Council, City Management and staff with information regarding the City's economic and fiscal health.

Completed analysis of Scottsdale Water and Sewer User Rates and Development Fees for equitability and sufficiency to meet the full revenue requirements of the City's water and sewer enterprise operation.

Completed the sale of \$72 million general obligation refunding bonds, resulting in an interest savings of \$3.2 million. This refunding will have a positive effect on the City's property tax rate over the next 17 years.

Program Description

The Accounting program maintains the City's financial systems and fiscal controls over: Special Assessments, Cash and Investments, Fixed Assets, and Grants. In addition, the program provides in-house training, guidance and support to City staff related to financial controls, systems, laws and policies & procedures. The program is also responsible for the coordination of the financial statement audit and preparation of the City's annual financial statements, grant compliance, expenditure limitation reports per Arizona Revised Statute and City Code, and the preparation of special and monthly reports.

Trends

Increased banking charges related to credit card acceptance and e-government initiatives throughout the City continue to result in increases to the program budget. Accounting staff continue to be responsive to all program budget changes which affect the accounting system and financial reporting. The division supports the integration of the budget with the financial system. The shift to a greater number of programs will increase the number of adjustments that must be made on a monthly basis in order to breakout costs accurately.

Program Broad Goals

Develop and Maintain Integrated Financial Systems - Develop and administer the various financial operating and internal control systems to ensure data integrity and ease of financial information tracking.

Provide Financial Information to Stakeholders - Prepare and distribute financial information to interested stakeholders, i.e., citizens, media, financial institutions, and City staff on which they can make informed judgments and decisions about City operations and finances.

Be a Financial and Administrative Consultant to Departments - Provide training, advice, tools and support to departmental customers and City Council to increase their financial knowledge and confidence with their administrative responsibilities.

Program 2003/04 Objectives

Maintain the City's accounting and financial reporting systems in conformance with all state and federal laws, Generally Accepted Accounting Principles (GAAP) and standards of the Governmental Accounting Standards Board (GASB) and the Government Finance Officers Association (GFOA).

Maintain financial systems internal controls to monitor expenditures and program performance on an ongoing basis.

Produce financial reports and make available on the City's intranet site no later than 5 working days after the last business day of the month.

Program Provided in Partnership With

Accounts Payable & Payroll, Budget

Program Customers

City Council, City employees, Scottsdale citizens, investors, news media, creditors, Budget program

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, COGNOS impromptu report writer, Cashier for Windows (cashiering software), D-Fast (Special Assessments Software), Internet Banking, Intranet, Desktop Publishing Software, Printing

Resources for the FY 2003/04 Budget

General Fund Support	\$1,507,517
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	1,803,569	1,411,111	1,411,111	806,823
Contractual Services	707,629	787,893	828,493	688,334
Commodities	32,954	30,160	30,160	12,360
Total Program Budget	\$2,544,152	\$2,229,164	\$2,269,764	\$1,507,517

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of monthly closes within 5 working days of month-end	100%	100%	100%	100%
# of journal entry/budget transfers processed annually	5,174	5,736	5,578	5,600

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Annual audit and single audit opinions from external auditors are unqualified with an opinion date of September 15th or prior	9/15/00	9/14/01	9/13/02	9/14/03
Comprehensive Annual Financial Report in conformance with GAAP and meets GFOA financial reporting excellence benchmarks	Yes	Yes	Yes	Yes

Program Staffing

4 Full-time	ACCOUNTING COORDINATOR	4.00
1 Full-time	ACCOUNTING DIRECTOR	1.00
2 Part-time	ACCOUNTING TECH	1.00
1 Full-time	ADMINISTRATIVE SECRETARY	1.00
1 Full-time	ENTERPRISE FINANCE MANAGER	1.00
2 Full-time	SR. ACCOUNTING CLERK	2.00
3 Full-time	SYSTEMS INTEGRATOR	3.00
Total Program FTE		13.00

Prior Year Highlights

Successful implementation of Governmental Accounting Standards Board (GASB) Statement No. 34 - which radically changed the way all governments were required to prepare their financial statements on an annual basis.

Implementation of a cashiering product that is Windows 2000 compliant and provides an enterprise-wide solution.

Facilitation of quarterly classes to explain accounting reports and forms and SmartStream inquiry and requisition functions.

ACCOUNTS PAYABLE & PAYROLL

Financial Services Department

Program Description

The Accounts payable and Payroll program develops, implements and maintains payment processes in compliance with all Federal, State, and City regulations.

Trends

The total invoices processed count (decreased by the procurement card program) is expected to increase due to the reduction in the number of procurement cards available to staff for purchases. Also, as new and innovative benefit and compensation programs are developed, the workload in payroll is increased by their requirement to ensure compliance with all federal laws, to create system integrations and formulas, and to administer and process the programs through the payroll system. Some of these negative impacts may be offset by the practice of delaying recruitments for hiring and a general reduction in the number of expenditures made by City departments.

Program Broad Goals

Develop and Maintain Integrated Financial Systems - Develop and administer the various financial operating and internal control systems to ensure data integrity and ease of financial information tracking.

Provide Financial Information to Stakeholders - Prepare and distribute financial information to interested stakeholders, i.e., citizens, media, financial institutions, and City staff on which they can make informed judgments and decisions about City operations and finances.

Develop and implement efficient and effective payment processes- Ensure payroll and accounts payable transactions are processed in a timely, efficient and accurate manner.

Program 2003/04 Objectives

Continue to maintain all systems, payroll and accounts payable transactions, and records in conformance with all State and Federal laws, and City administrative regulations.

Complete all payroll processes by 3 p.m. on payroll week and maintain a backlog of accounts payable invoices which is 3 days or less.

Upgrade City's timekeeping system (Webtime). Also, complete post implementation tasks for TotalHr/Payroll system (customizations, integrations, enhancements, etc.)

Program Provided in Partnership With

Human Resources, Accounting, Budget, and departmental timekeepers and SP3s

Program Customers

City Council, City employees, Scottsdale citizens, vendors, news media

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, TotalHR (human resources/payroll) financial software, Webtime (timekeeping) software, check sealer, backup/records

Resources for the FY 2003/04 Budget

General Fund Support	\$865,114
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	-	-	-	748,673
Contractual Services	-	-	-	103,991
Commodities	-	-	-	12,450
Total Program Budget	-	-	-	\$865,114

ACCOUNTS PAYABLE & PAYROLL

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of payroll checks and direct deposits processed	60,269	62,127	61,581	61,581
Average payroll checks per month	5,022	5,177	5,132	5,132
# of accounts payable checks issued	38,875	35,636	36,614	37,712
Average accounts payable checks per week	748	685	704	725

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of time Payroll processed biweekly by 3 p.m. on Thursday	100%	100%	100%	100%
% of time that the backlog of invoices is 3 days or less	100%	100%	100%	100%

Program Staffing

1 Part-time	ACCOUNTING CLERK	0.50
4 Full-time	ACCOUNTING CLERK	4.00
1 Full-time	LEAD ACCT PAYABLE SPECIALIST	1.00
1 Full-time	PAYABLES MANAGER	1.00
1 Part-time	PAYROLL SPECIALIST	0.50
3 Full-time	PAYROLL SPECIALIST	3.00
2 Full-time	SYSTEMS INTEGRATOR	2.00
1 Full-time	TECH SPECIALIST	1.00
Total Program FTE		13.00

Prior Year Highlights

Upgrade of HR/Payroll system to the latest version that is Windows 2000 compliant and provides multiple user enhancements.

Program Description

The Budget program is responsible for the preparation and adoption of the City's annual budget per the terms of the Arizona Revised Statute and City Code. It coordinates the development and the ongoing monitoring of the City-wide operating and capital budgets on behalf of the City Manager. Embodied within this process is the preparation of the Five-Year Financial Plan, and assisting the Citizen Bond Review Commission, Citizen Budget Review Committee and citizens with their questions regarding the City's budget.

Trends

Budget prepared under far more fiscally challenging times than seen by the City in over a decade. After an extended period of positive economic growth for the City and the nation, the City has prepared a budget that reflects the downturn in the local, state and national economies. The continuing uncertainty that exists in the economy from possible additional terrorist activities, war in the Middle East, corporate accounting problems, and the State of Arizona's budget problems do not increase the odds of a rapidly improving local economy. Additionally, the drop in tourism is hurting some of the City's main industries, tourism and hospitality, and inevitably impact the City's privilege tax revenues.

Program Broad Goals

Prepare a balanced Five-year Financial Plan of all of the City's revenue and expenses.

Prepare a balanced annual operating and capital budget that effectively address City Council's broad goals and comply with applicable federal, state and local requirements.

Program 2003/04 Objectives

Continue working collaboratively with the Capital Project Management staff to improve the Capital Improvement Plan (CIP) cash flow requirements analysis and reporting to minimize the likelihood of premature and excessive cash transfers from the General Fund to the CIP.

Continue building and refining the City's program information to facilitate a more comprehensive review of the City's operating budget which contributes to more effective policy debates and decisions.

Program Provided in Partnership With

City Manager, Accounting, Risk Management, Capital Project Management, AP & Payroll, Fleet

Program Customers

City Council, City Manager, City employees, Citizen Bond Review Commission, Citizen Budget Review Committee, Scottsdale citizens and businesses

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, Desktop Publishing Software

Resources for the FY 2003/04 Budget

General Fund Support	\$528,687
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	-	467,494	467,494	479,031
Contractual Services	-	69,342	69,342	43,758
Commodities	-	6,090	6,090	5,898
Total Program Budget	-	\$542,926	\$542,926	\$528,687

BUDGET

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of monthly City-wide revenue monitoring reports prepared timely and reviewed	100%	100%	100%	100%
% of monthly Capital Improvement Cash Flow Reports reviewed by budget staff within 10 days of month end	100%	100%	100%	100%

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Produce a balanced Five-Year Plan of revenues and expenditures	In compliance	In compliance	In compliance	In compliance
% of Capital Improvement Plans in compliance with the City's adopted Financial Policies	100%	100%	100%	100%

Program Staffing

1 Full-time	BUDGET DIRECTOR	1.00
3 Full-time	ACCOUNTING COORDINATOR	3.00
1 Full-time	MULTIMEDIA COMM COORDINATOR	1.00
1 Full-time	SR. FINANCIAL ANALYST	1.00
Total Program FTE		6.00

Prior Year Highlights

Refined the program budget initiated in the prior year by identifying a broader array of City services. This enhancement will facilitate a more methodical and focused review of the city's budget and contribute to an increased emphasis on the relationship between a program's results (performance measures) and City Council's Broad Goals.

Worked closely with the Capital Project Management staff to evaluate the City's current Five-Year Capital Improvement Plan (CIP). The effort included updated cash flow estimates for capital projects that more accurately reflect the actual CIP cash requirements and the General Fund transfers required.

Program Description

The Risk Management program coordinates the City's safety and risk management function, including the procurement of insurance; investigates and adjusts claims in the areas of property loss, liability, workers' compensation, Occupational Safety and Health Administration (OSHA), and unemployment compensation exposures; and assist in the preparation of fiscal impact statements and negotiation in the area of employee health benefits. This budget is offset by internal service "user rates" charged to other City operating departments.

Trends

The City is experiencing a dramatic increase in property-casualty insurance premiums as a result of 9-11 with 20-50% increases expected each year for the next 3-5 years. The City is taking a harder line in negotiating claims in light of an unfavorable post 9-11 situation.

Program Broad Goals

- Reduce and contain the financial impact of liability and employee accident claims against the City to reduce costs to taxpayers.
- Provide safety in the workplace through highly visible efforts and programs.
- Maintain OSHA Voluntary Protection Program (VPP) Star certification.

Program 2003/04 Objectives

- Achieve the most cost effective excess insurance program for the premium funding available.
- Maintain financial health of Loss Trust Fund.
- Keep total risk expenditures to less than 2% of overall City operating budget.

Program Provided in Partnership With

City Attorney, Human Resources, Purchasing, Contract Administrators, Fleet, Police Accident Investigation Unit, Accounting

Program Customers

City employees at all levels, Scottsdale citizens, outside defense attorneys, AZ Industrial Commission, AZ Insurance Commission, AZ Department of Economic Security, AZ Occupational Safety and Health Administration (OSHA), Loss Trust Fund Advisory Trustees

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Risk Manager software, SmartStream financial software, radio, cell phones, pagers, City vehicle

Resources for the FY 2003/04 Budget

Internal Service Fund Charges/Support	\$5,236,477
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	501,351	518,290	518,290	487,074
Contractual Services	5,178,600	4,641,540	4,684,852	4,707,163
Commodities	110,855	157,500	158,956	42,240
Total Program Budget	\$5,790,806	\$5,317,330	\$5,362,098	\$5,236,477

RISK MANAGEMENT

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Premiums for excess insurance program	\$852,783	\$978,031	\$1,461,982	\$1,636,002

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Maintain Risk Management budget to within 2% of City's operating budget	1.67%	2.13%	1.90%	1.90%
Fund the City's Loss Trust Fund to minimum of 100% of the Actuary's recommended fund balance	110%	111%	110%	110%

Program Staffing

1 Full-time	ADMINISTRATIVE SECRETARY	1.00
1 Full-time	CLAIMS MANAGER	1.00
1 Full-time	CONTRACT COORDINATOR	1.00
1 Full-time	RISK MGMT DIRECTOR	1.00
1 Full-time	RISK SERVICES MANAGER	1.00
1 Full-time	SUPPORT SPECIALIST	1.00
1 Full-time	WORKERS COMPENSATION CLAIMS	1.00
Total Program FTE		7.00

Prior Year Highlights

Achieved Voluntary Protection Program (VPP) safety recertification.

Maintained financial health of Loss Trust Fund.

Continued to provide workplace safety awareness and risk avoidance training to City staff.

Kept total risk expenditures to less than 2% of overall City operating budget.

Program Description

The Purchasing program is responsible for the acquisition and/or facilitation of all materials, services, and construction required by the City and provides assistance to Contract Administrators. It analyzes products for their environmental impact, actively seeks environmentally-friendly products, and promotes opportunities for minority business enterprises (MBE) and women-owned business enterprises (WBE).

Trends

Number of purchasing cards in use has been downsized to improve internal controls and the result is an increase in the number of purchase orders needing to be processed by Purchasing staff.

Program Broad Goals

Implement flexible procurement processes and secure long-term contracts and advantageous pricing arrangements (procurement cards, on-line ordering, cooperative purchasing, etc.) to continue to reduce processing costs.

Educate City staff so they can make informed judgments and decisions about best value procurement of goods and services.

Create a broad and diverse vendor base for the City by sponsoring trade fairs and other outreach programs for minority and women-owned businesses to heighten the awareness of purchasing opportunities for emerging and disadvantaged businesses.

Program 2003/04 Objectives

Continue to develop systems and contracts that allow City departments to procure goods on their own.

Continue to develop a minority owned business and women owned business program that provides competitive opportunities to disadvantaged businesses.

Program Provided in Partnership With

All City departments, business community

Program Customers

Mayor, City Council, City Manager, all City departments, business community

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software

Resources for the FY 2003/04 Budget

General Fund Support	\$1,149,249
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	923,478	975,432	975,432	1,054,920
Contractual Services	121,347	95,141	96,121	78,349
Commodities	40,310	33,917	33,931	15,980
Capital Outlays	4,778	-	-	-
Total Program Budget	\$1,089,913	\$1,104,490	\$1,105,484	\$1,149,249

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of Purchase Orders	8,346	8,531	10,212	12,254

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of long term contracts in place	241	245	255	270
# of suppliers who subscribe to e-mail notification of current available solicitations	n/a	n/a	1,579	3,000

Program Staffing

1 Full-time	PURCHASING DIRECTOR	1.00
1 Full-time	ADMINISTRATIVE SECRETARY	1.00
1 Full-time	BID & CONTRACT ASST.	1.00
1 Full-time	BID & CONTRACT COORDINATOR	1.00
3 Full-time	BID & CONTRACT SPECIALIST	3.00
3 Full-time	BUYER	3.00
1 Full-time	PURCHASING CLERK	1.00
1 Full-time	PURCHASING MANAGER	1.00
1 Full-time	PURCHASING OPER. MANAGER	1.00
1 Full-time	PURCHASING TECH	1.00
1 Full-time	SYSTEMS INTEGRATOR	1.00
1 Full-time	TECH SPECIALIST	1.00

Total Program FTE 16.00

Prior Year Highlights

Updated Internet web page to allow suppliers to directly register for the City's bidder list. This enhancement will facilitate more competition and better pricing.

Increased the number of contracts that are available to City staff through added pricing agreements. This increase allows the using department to order the goods and services on their time schedule and still receive the best pricing.

Increased outreach programs for disadvantaged, minority and women owned, businesses. A diverse composition of suppliers enhances the quality of life for all people.

STORES AND WAREHOUSE OPERATIONS

Financial Services Department

Program Description

The Stores and Warehouse Operations program maintains and dispenses inventory items, manages surplus property and acts as a short-term storage facility.

Trends

More staff time is devoted to the proper disposal of environmentally sensitive assets. With just-in-time purchasing, more short-term storage space is needed vs. long-term storage.

Program Broad Goals

Receive goods at the Warehouse and distribute to all City departments.

Receive, recycle, store and dispose of surplus property.

Receive and dispose of waste, batteries, ballasts, lamps, toner cartridges, and inkjet cartridges.

Program 2003/04 Objectives

Develop an electronic system that facilitates the disposal of surplus and confiscated City property utilizing the Internet, providing an electronic catalog for ordering inventory items, and tracking items stored with the Warehouse.

Develop better systems to account for the disposition of high-risk materials.

Program Provided in Partnership With

All City departments and business community

Program Customers

City departments, business community

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

SmartStream financial software, vehicles, forklifts, cell phone

Resources for the FY 2003/04 Budget

General Fund Support	\$307,017
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	245,324	256,309	256,309	270,278
Contractual Services	46,659	36,541	36,541	34,589
Commodities	9,730	10,800	10,810	2,150
Total Program Budget	\$301,713	\$303,650	\$303,660	\$307,017

STORES AND WAREHOUSE OPERATIONS

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of offers to purchase	8	8	8	8

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Dollars saved by the City through the use of surplus property	\$18,673	\$49,154	\$65,000	\$85,000
Dollars returned to the City's General Fund through surplus property sales	\$23,644	\$115,790	\$22,000	\$25,000

Program Staffing

2 Full-time	LEAD STOCK CLERK	2.00
1 Full-time	PURCHASING OPER MANAGER	1.00
2 Full-time	STOCK CLERK	2.00
Total Program FTE		5.00

Prior Year Highlights

Located additional recyclers that will handle different batteries, toner cartridges, and light ballasts. This change will result in less mercury, lead, and other hazardous materials sent to the landfill.

Program Description

The Graphics program designs or provides design assistance for printed material and is a resource to print to black and white and up to four-color printed materials for City programs.

Trends

Graphics is experiencing more use of color in the jobs they are required to print. Printing is becoming more specialized and the Graphics team is spending more time consulting with City staff to meet their specialized printing needs.

Program Broad Goals

Provide a professional graphics operation for the City that delivers a high quality, professional, cost efficient product using both City assets and outside graphic vendors.

Program 2003/04 Objectives

Implement web based interface for graphics requisitions and business cards with interface to the General Ledger.

Educate City staff about the different graphics processes and their effect on the finished process.

Program Provided in Partnership With

Outside printing businesses

Program Customers

City departments

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

One color print press, four color print press, color copier, bindery machine, paper shearers, Adobe PageMaker, QuarkXpress, Adobe Photoshop, Apple Macintosh, Adobe Freehand, Adobe Illustrator, folder, drill press, saddle stitcher, negative processor, fiery interface, waste stream recovery system, fork lift

Resources for the FY 2003/04 Budget

General Fund Support	\$103,247
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	224,639	210,740	210,740	221,649
Contractual Services	396,646	249,185	318,804	324,786
Commodities	(427,933)	(310,410)	(309,815)	(443,188)
Total Program Budget	\$193,352	\$149,515	\$219,729	\$103,247

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of Graphics Requisitions	410,363	469,852	550,000	600,000
# of impressions	5.8M	5.06M	5.5M	6.0M

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of Graphics Requisitions completed by due date	90%	90%	90%	90%
% of Graphics Requisitions completed without Graphics error	95%	95%	95%	95%

Program Staffing

1 Full-time	BID & CONTRACT SPECIALIST	1.00
1 Full-time	GRAPHICS DESIGNER	1.00
1 Full-time	GRAPHICS TECH	1.00
1 Full-time	SR. GRAPHICS TECH	1.00
Total Program FTE		4.00

Prior Year Highlights

Increased productivity and reduced the number of reprint jobs by providing basic printing training to City departments.

COPY CENTER

Financial Services Department

Program Description

The Copy Center is an outsourced operation responsible for producing or purchasing copier services.

Trends

The number of copies printed each year continues to rise. The amount of time available to copy and print the high volume Council packets is decreasing.

Program Broad Goals

Continue to secure copier contracts and advantageous pricing arrangements.

Provide a quick and efficient changeover for the Copy Center contractor.

Program 2003/04 Objectives

Copy Council Reports and special commissions, reports, agendas, minutes, and distribute ten days before the next scheduled meeting.

Program Provided in Partnership With

All City departments and vendor providing copier

Program Customers

Mayor, City Council, City Manager, all City departments

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

High Volume Copier, CLC 5000 color copier, GBC binder

Resources for the FY 2003/04 Budget

General Fund Support (\$95,894)

Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	17	6,937	6,937	7,357
Contractual Services	(111,453)	(196,565)	(196,565)	(118,500)
Commodities	12,059	35,699	35,699	15,249
Total Program Budget	(\$99,377)	(\$153,929)	(\$153,929)	(\$95,894)

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of copies made by the contractor	6,162,507	4,070,641	4,383,426	4,500,000
Total # of copies processed by the Copy Center	6.6M	4.07M	4.65M	5.0M

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of copy jobs completed without Copy Center error	95%	95%	95%	95%
% of copy jobs completed by due date	98%	99%	99%	99%

Program Staffing

No specific staff positions or FTE's are assigned to this program.

Prior Year Highlights

Reduced errors and complaints by providing a quality edit stage in the copying process.

Program Description

The Mail program provides timely pick-up and delivery of in-house and U.S. mail for the City departments. Other services include sorting and inserting City prepared fliers in utility bill mailings.

Trends

The mail volume continues to increase at about 10% per year. The number of mail stops is also increasing each year as the City adds additional facilities or locations.

Program Broad Goals

Continue to secure pre-sort mail services contracts and advantageous pricing arrangements.

Continue to educate City staff about mail requirements and the most cost effective methods to mail.

Program 2003/04 Objectives

Receive, open, and deliver mail to all offices within the mail delivery areas.

Program Provided in Partnership With

All City departments, United States Post Office

Program Customers

Mayor, City Council, City Manager, all City departments

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Mail sorter, mail inserter, Paragon postage meter, letter opener, two vans

Resources for the FY 2003/04 Budget

General Fund Support	\$473,717
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	117,531	134,303	134,303	137,835
Contractual Services	281,180	338,067	338,067	335,127
Commodities	2,119	8,237	8,237	755
Capital Outlays	19,626	-	-	-
Total Program Budget	\$420,456	\$480,607	\$480,607	\$473,717

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Pieces of mail delivered	2,813,405	2,934,600	3,500,000	4,000,000

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of mail processed by staff within one day of receipt	99.5%	99.8%	97%	97%

Program Staffing

3 Full-time	MAIL SERVICES COURIER	3.00
Total Program FTE		3.00

Prior Year Highlights

The Mail Room redesigned its routes and mail processes in order to meet the 10% increase in mail volumes and two additional stops.

Program Description

The Tax and License program ensures that all businesses conducting business in Scottsdale are properly licensed. It administers and collects privilege, transient occupancy and business license taxes, special license fees, alarm user permit and false alarm activation fees, and liquor license fees.

Trends

Although there has been a down turn in the local economy, Tax & License activity has not decreased. Businesses are more likely to open and close in a shorter period of time increasing customer contacts, maintenance of license accounts, and processing of applications.

Program Broad Goals

Collect transaction privilege (sales) tax, mail tax returns, review and correct tax return errors, and generate financial reporting of tax revenue.

License and permit businesses and individuals to comply with City Code, process applications, maintain accounts, renew billing/ notification, provide administrative support for the Police Department and other City departments for the regulation of occupations and professions that impact the health, safety and welfare of the City, and generate financial reporting relating to licensing fees and revenue.

Bill false alarm activations based on data provided by the Police Department, maintain accounts, track and report alarm users, and generate financial reporting of revenue generated by alarm activation billing.

Program 2003/04 Objectives

Implement interactive Internet access for revenue generating license applications by December 2003.

Coordinate a licensing enforcement plan with the Attorney and Prosecutor offices and the Police Department by December 2003.

Explore options for replacement of the licensing, alarm activation billing and transaction sales tax systems by November 2003. Replacement is required because of inefficiencies and higher maintenance due to older, unsupported technology.

Program Provided in Partnership With

Information Systems, Police Department, Code Enforcement, Tax Audit, Transportation, Revenue Recovery, Accounting, Budget, Solid Waste, Planning & Development, Economic Vitality, City Prosecutor Office, City Attorney Office, Remittance Processing, Mailroom

Program Customers

City Businesses and license holders

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Vehicle for inspectors, ID photo/license system, fingerprint equipment, Infolmage, Banner-Licensing & alarm billing system, STARS-Transaction sales tax system, Data warehouse, document replication utility, desktop faxing, Automatic Call Distribution

Resources for the FY 2003/04 Budget

General Fund Support	\$802,941
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	536,564	564,522	564,522	594,690
Contractual Services	189,224	203,454	203,454	193,081
Commodities	14,444	17,140	17,140	15,170
Total Program Budget	\$740,232	\$785,116	\$785,116	\$802,941

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of customer contacts (at counter & telephones)	90,497	97,012	99,000	100,000
Active licensees and those that have applied but not yet approved or denied	52,778	53,964	54,500	55,200

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of applicants/checks without statements processed within 3 work days	n/a	68%	75%	75%
% of calls answered within 30 seconds	95%	98%	96%	96%

Program Staffing

1 Full-time	CUSTOMER SERVICES MANAGER	1.00
7 Full-time	CUSTOMER SERVICES REP	7.00
1 Full-time	LEAD CUSTOMER SERVICES REP	1.00
2 Full-time	LICENSE INSPECTOR	2.00
1 Full-time	TECHNOLOGY SPECIALIST	1.00
Total Program FTE		12.00

Prior Year Highlights

Continued to update and enhance the Tax & License knowledge base to streamline service delivery response time and provided a tool for new employees as they transition into the work unit.

Improved licensing compliance and reporting of tax liability by providing forms on the Internet.

Improved secondhand/pawn application processing by utilizing imaging to document the workflow and provide information electronically to the Police Department.

Program Description

The Revenue Recovery program collects delinquent money owed to the City primarily related to utility bills, sales taxes, licensing fees, tax audit assessments and false alarm activation charges. Methods of delinquent collection include mailing notices and statements, telephone contact, water turn off, filing liens and lawsuits, and the use of outside collection agencies.

Trends

Revenue Recovery is seeing an increase in delinquent accounts relating to the downturn in the economy and the nationwide recession. The number of foreclosures, bankruptcies and business closings are increasing which will affect the annual write off of uncollectible accounts.

Program Broad Goals

Use appropriate collection methods following State and Federal collection laws, to collect delinquent monies owed to the City.

Refer accounts to City Attorney's office for legal action when all other collection efforts have been exhausted.

Track and record accounts that are determined to be uncollectible.

Program 2003/04 Objectives

Implement a new collection system by December 2003. This project seeks to enhance the existing collections and activity tracking tools employed by the collectors of Revenue Recovery to provide enhanced integration with the regulatory, sales tax, and utility billing systems. The aim of this integration is the more efficient and effective collection of delinquent monies owned to the City.

Coordinate a collection plan with the City Attorney and Prosecutor offices and the Police Dept. to provide enforcement of collection and non-compliance of licensing ordinances by December 2003.

Provide a utility and collection brochure to communicate payment alternatives for delinquent customers by December 2003.

Program Provided in Partnership With

Utility Billing, Meter Reading, Tax & License, Tax Audit, Remittance Processing, Risk Management, Accounting, City Attorney, Prosecutor, Police, Airport, Permit Services, Building Inspections, Solid Waste

Program Customers

City Residents and Businesses

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Banner Licensing & Alarm Activation System, STARS-Sales Tax System, Utility Billing System, Collection activity tracking system

Resources for the FY 2003/04 Budget

General Fund Support	389,807
Enterprise Fund Program User Fees/Charges/Support	374,405
Total Program Budget	\$764,212

Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	587,330	631,359	640,526	697,646
Contractual Services	72,247	85,616	95,366	59,192
Commodities	15,632	21,934	13,895	7,374
Total Program Budget	\$675,209	\$738,909	\$749,787	\$764,212

REVENUE RECOVERY

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Average # of active delinquent accounts	11,415	11,779	13,018	13,404

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Dollars collected for every \$1.00 spent	\$21.25	\$13.02	\$15	\$17
Write-offs as a % of total revenue	0.1%	0.1%	0.2%	0.2%

Program Staffing

1 Full-time	ADMINISTRATIVE SECRETARY	1.00
1 Full-time	CUSTOMER SERVICES ASST.	1.00
1 Full-time	LEAD SYSTEMS INTEGRATOR	1.00
4 Full-time	REVENUE COLLECTOR	4.00
1 Full-time	REVENUE RECOVERY MANAGER	1.00
1 Part-time	SECRETARY	0.50
1 Full-time	SR. REVENUE COLLECTOR	1.00
2 Full-time	SYSTEMS INTEGRATOR	2.00
Total Program FTE		11.50

Prior Year Highlights

Updated the Customer Service Knowledge Base to streamline service delivery response time and to provide a tool for new employees as they transition into the work group.

METER READING

Program Description

The Meter Reading program is responsible for accurately reading all water meters each month, daily connects/disconnects, delinquency turn-ons/off, high bill complaints and timely follow-up reads/re-reads of meters.

Trends

The City has seen a downturn in growth, which decreases the number of new water meters being added to the system. Although new meter installations are decreasing, it is still necessary for existing meters to be read timely and with a high level of accuracy to ensure that billing and revenue collection occurs timely.

Program Broad Goals

Ensure that 100% of the City water meters are read monthly and read accurately which will maximize revenue collection and comply with City ordinances.

Complete all internal and external service requests in a timely and efficient manner which supports the goal of providing responsive customer service.

Provide leak detection assistance at customer request as a result of high bill complaints.

Program 2003/04 Objectives

Begin implementation of an automated work order system in conjunction with wireless access by December 2004, to reduce meter reader time and improve response time to customer service requests.

Update and enhance the Meter Reading knowledge base by July 2003, to improve access to critical business information and to provide a tool to new employees transitioning into the work group.

Program Provided in Partnership With

Fleet, Water Operations, Risk Management, Community Development, Utility Billing, Remittance Processing, Revenue Recovery

Program Customers

City residents and businesses

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Vehicles (right hand drive Jeeps & compact pickups), handheld meter reading system, hand held meter reading software, Utility Billing System, Land Information System (LIS), Community Development, Utility Cash Transmittal System, Delinquency Turn On Notification System (SOS), uniforms, various hand tools, and cell phones

Resources for the FY 2003/04 Budget

Enterprise Fund Program User Fees/Charges/Support	\$980,505
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	663,673	695,799	695,799	753,234
Contractual Services	255,413	225,050	226,263	223,021
Commodities	6,728	8,200	7,200	4,250
Total Program Budget	\$925,814	\$929,049	\$929,262	\$980,505

METER READING

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of meters read annually	919,669	943,212	960,166	979,366
# of meters per meter reader read monthly	6,477	6,605	6,667	6,801

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of meters read accurately	99.88%	99.91%	99.9%	99.9%

Program Staffing

1 Full-time	LEAD WATER METER READER	1.00
1 Full-time	METER READER MANAGER	1.00
1 Full-time	WATER AUDIT TECH	1.00
12 Full-time	WATER METER READER	12.00
Total Program FTE		15.00

Prior Year Highlights

Installed, implemented and modified an application that allows Remittance Processing to electronically notify Meter Reading that a delinquent payment has been received and water service needs to be restored.

Program Description

The Utility Billing program provides for the accurate and timely billing of the City's water, sewer, and solid waste services. Assists customers in applying for and discontinuing utility service. Educates customers regarding how to find the cause of any high water usage and responds to customer inquiries and disputes regarding their City utility accounts.

Trends

Our customer base is growing at a slower pace due to reduced City development. Although new accounts are reduced, it is still necessary to maintain the existing accounts.

Program Broad Goals

- Bill and collect water, sewer, solid waste and associated fees and taxes in a timely and accurate manner.
- Establish accounts for customers requesting service and discontinue service as requested in a timely and accurate manner.
- Respond to customer inquiries about their bills in a timely and accurate manner.

Program 2003/04 Objectives

Provide customers with the ability to request service discontinuance via the Internet by November 2003.

Complete procurement of a new utility billing system for implementation by December 2004.

Begin standardizing utility account information to allow for the reporting of multiple City services and activities at an address by December 2004.

Program Provided in Partnership With

Accounting, Citizen and Neighborhood Resources, Development Services/One Stop Shop, IS, Water Resources, Solid Waste Management, Parks, Water Operations, CAPA, Mail Room, Remittance Processing, Human Services Municipal Services, Tax Audit, Revenue Recovery, Meter Reading, City Attorney

Program Customers

City Residents and Businesses

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

InfoImage, AccuMail, InfoConnect, Itron Interface, MetroScan, Delinquency Turn On Notification System (SOS), Land Information System (LIS), Work Tracking System (WTS), IVR Daily Snapshot, Interactive Voice Response, Automatic Call Distribution, CIS Billing System, Unisys 2200, Desktop faxing, head sets, Computer Output to Laser Disc (COLD)

Resources for the FY 2003/04 Budget

Enterprise Fund Program User Fees/Charges/Support	\$903,921
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	434,368	470,138	470,138	516,324
Contractual Services	320,862	390,500	390,500	380,697
Commodities	8,306	9,650	9,650	6,900
Total Program Budget	\$763,536	\$870,288	\$870,288	\$903,921

UTILITY BILLING

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of utility statements issued	946,277	969,549	984,000	994,000
# of customer contacts	116,133	115,775	116,000	117,000

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of utility bills accurately mailed	99.8%	99.8%	99.5%	99.5%

Program Staffing

1 Full-time	CUSTOMER SERVICES MANAGER	1.00
7 Full-time	CUSTOMER SERVICES REP	7.00
1 Full-time	CUSTOMER SERVICES TECH	1.00
1 Full-time	LEAD CUSTOMER SERVICES REP	1.00
Total Program FTE		10.00

Prior Year Highlights

Implemented On-Line Bill Payment and Presentment Program which allows customer to receive and pay their utility bill via the Internet.

Implemented changes to the current Automatic Call Distribution/Interactive Voice Response applications, which provides more responsive telephone service to our customers and provides for more accurate statistical reporting.

Continued to update and enhance the Utility Billing knowledge base to streamline service delivery, response time and to provide a tool to new employees as they transition into the work group.

Program Description

The Remittance Processing program processes and deposits all payments for utilities, licenses and permits, sales tax and alarm activations and accompanying documentation; manages the retention, retrieval and destruction of division documents through imaging, microfiche, filing, and on and off-site storage.

Trends

With a decline in the economy, it is even more important to process payments timely for bank deposits and to provide information for critical financial reporting.

Program Broad Goals

- Process and deposit payments within two days of receipt.
- Image division documents to allow for quick and easy retrieval of records and provide requested records to customers and Customer Service staff.
- Provide information and referral service through a City-wide switchboard.

Program 2003/04 Objectives

Explore opportunities for and implement alternative payment methods for on-line utility bill paying using a method similar to Surepay/Automated Clearing House (payment from customer checking account) by December 2003.

Implement Point of Sale check imaging (POS) to improve response to research requests by September 2003.

Implement check truncation to eliminate processing of paper checks at walk in locations by September 2003.

Program Provided in Partnership With

Tax & License, Utility Billing, City Mail Room, Meter Reading, Revenue Recovery, Tax Audit, Accounting, Police Department

Program Customers

City Residents and Businesses

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Transport and related software, mail openers, Imaging System, Utility Billing System, Delinquency Turn On Notification System, Work Tracking System and a variety of payment processing software applications

Resources for the FY 2003/04 Budget

General Fund Support	528,688
Enterprise Fund Program User Fees/Charges/Support	529,249
Total Program Budget	\$1,057,937

Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	662,364	705,908	705,908	715,456
Contractual Services	222,060	256,306	256,306	331,023
Commodities	15,040	22,383	22,383	11,458
Capital Outlays	79,565	-	-	-
Total Program Budget	\$979,029	\$984,597	\$984,597	\$1,057,937

REMITTANCE PROCESSING

Financial Services Department

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
# of payments processed	910,231	1,082,181	1,526,388	1,755,346

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of payments processed within 2 days of receipt	n/a	n/a	100%	100%

Program Staffing

1 Full-time	CUST. SVCS/TAX AUDIT DIRECTOR	1.00
1 Full-time	CUST. SERVICES PROJ COORD.	1.00
9 Full-time	CUSTOMER SERVICES REP	9.00
1 Full-time	LEAD CUSTOMER SERVICES REP	1.00
1 Full-time	REMIT PROCESS RECORDS MGR	1.00
1 Full-time	SWITCHBOARD OPERATOR	1.00
Total Program FTE		14.00

Prior Year Highlights

Reduced the use of overtime for payment processing and increased efficiency utilizing alternative work hours.

Implemented a new cashiering system that is Windows 2000 compliant and provides an enterprise-wide solution.

Updated the Customer Service Knowledge Base to streamline service delivery response time and to provide a tool to new employees as they transition into the work group.

Program Description

The Tax Audit program promotes accurate and timely payment of privilege, use, and bed tax self-assessments by taxpayers through education programs; provides guidance in tax code interpretations; evaluates local economic strength through analysis of privilege, use, bed, and property tax collections; and develops innovative solutions that will ensure the City's financial stability.

Trends

Construction activity decreases as the City continues its build-out and land preservation goals and associated privilege tax revenue continues to decline. Future economic uncertainty continues to exist, which includes the downturn in the tourism industry, which also directly impacts privilege, use, and bed tax revenues.

Program Broad Goals

- Audit taxpayer records to ensure tax code requirements are upheld.
- Provide privilege, use, and property tax data to internal and external customers.
- Provide taxpayer education regarding taxpayer rights and responsibilities.

Program 2003/04 Objectives

- Audit and perform compliance reviews of 2% of Scottsdale businesses.
- Obtain 90% audit satisfaction rate on taxpayer surveys.
- Ensure 90-100% of new construction is timely placed on property tax roll.

Program Provided in Partnership With

Economic Vitality, Accounting, Budget, IS, Planning and Development Services, Tax and License, Revenue Recovery, Remittance Processing, City Attorney

Program Customers

City Residents & Businesses, Economic Vitality, Budget, City Manager, County Assessor

Priority Category

Support and Administrative

City Council's Broad Goal(s)

Fiscal and Resource Management

Basic Equipment

Personal computers, Microsoft Office Suite, 10-key calculators, network printers, telephone, Fax machines, copier

Special Equipment

Software used for research, STARS - Sales Tax System

Resources for the FY 2003/04 Budget

General Fund Support	\$571,388
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Expenditures by Type

	Actual 2001/02	Adopted 2002/03	Estimate 2002/03	Adopted 2003/04
Personal Services	435,272	531,152	521,985	533,131
Contractual Services	28,863	46,179	47,179	35,647
Commodities	2,179	3,540	2,540	2,610
Total Program Budget	\$466,314	\$580,871	\$571,704	\$571,388

Performance Measures

Program/Service Outputs: (goods, services, units produced)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
% of total Scottsdale businesses audited or reviewed for compliance annually	1.8%	2.1%	2.1%	2.1%
% of new construction placed on the property tax roll for the proper tax year	n/a	n/a	95%	95%

Program/Service Outcomes: (based on goals and objectives)

	Actual FY 2000/01	Actual FY 2001/02	Estimated FY 2002/03	Projected FY 2003/04
Audit assessment ratio — total dollars assessed for every \$1.00 in cost	\$3.11	\$2.43	\$2.96	\$2.75

Program Staffing

1 Full-time	PROPERTY TAX AUDITOR	1.00
6 Full-time	SR. TAX AUDITOR	6.00
1 Full-time	TAX AUDIT MANAGER	1.00
Total Program FTE		8.00

Prior Year Highlights

Audited 2.0% of Scottsdale Businesses.
 Maintained a \$2.75 collected ratio for every \$1.00 in cost.
 Maintained a 97% survey satisfaction rate.

